CAPITAL IRA
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CHECKLIST FOR IRA REAL ESTATE PURCHASE

Capital IRA does not give investment advice or recommend the purchase of any particular property. You are advised to seek advice from your financial and/or legal advisors.

The Tax ID Number to be used in all documents is_______________________
Do not use your personal social security number.

1. ☐ Open and fund your Capital IRA account before any contracts are signed.

2. ☐ Read and approve all real estate purchase documents. *You cannot sign any documents personally and later transfer them to your IRA.* All purchase documents must read as follows:

Buyer: Trust Company of America, custodian F/B/O [Your Name] **IRA**

3. ☐ Fill out and submit a Real Estate Purchase Direction Letter.

4. ☐ 4. Any deposits or expenses related to the real estate purchase must be made from your Capital IRA account. DO NOT MAKE ANY DEPOSITS FROM PERSONAL FUNDS. Submit a Payment Authorization form to Capital IRA for any deposits or expenses, such as inspections. Forward the agreement of sale and any other related documents to Capital IRA for administrative review and custodian signature.

The Capital IRA review and/or approval is solely to determine if the investment is administratively feasible for Capital IRA to process internally and/or with the custodian and is not a substitute for your due diligence review. Capital IRA does not recommend any particular investment nor does it express any opinion as to the prudence or viability of any particular transaction or investment, the value or performance of the investment or whether the transaction or investment is proper for you.

5. ☐ Send the preliminary title report to Capital IRA together with a complete property description for review.

6. ☐ If the property is vacant land or was vacant land within the last two years, a Phase I environmental audit (and/or Phase II if applicable) is required and must be forwarded to Capital IRA for review.

7. ☐ Send your fire/liability insurance declaration page and information to Capital IRA for review.

8. ☐ Send a copy of the property appraisal to Capital IRA for review.

9. ☐ If your IRA is borrowing money to finance the purchase of the property, submit the loan documents to Capital IRA for review prior to closing. *The note or agreement must be NON-RECOURSE. This means that if the IRA defaults the lender cannot go against you or any IRA funds or assets for repayment, and can only look to the property for repayment.*

The custodian must sign all loan documents on behalf of the IRA prior to closing.

Remember that if your IRA uses financing to purchase a property, unrelated business income tax (UBIT) or a tax on unrelated debt financed income (UDFI) may apply. You should discuss these and any other taxes with your financial professional prior to authorizing a debt-financed investment. The filing of IRS Form 990-T, if applicable, is your responsibility.

10. ☐ Submit a Payment Authorization Form to authorize Capital IRA to use funds from your account for balances due upon closing and any other payments required to be made for purchase of the real estate.

11. ☐ Submit a copy of the proposed Deed to Capital IRA for review. The Grantee must be written as stated in Paragraph 2 above.

12. ☐ At or prior to closing, submit the HUD-1 settlement statement and any other required closing documents to Capital IRA for custodian signature.

13. ☐ Once closing is completed, speak with your Capital IRA representative about property management, income and expense payment and setup for property maintenance and operation.

All forms can be faxed to Capital IRA at (856) 702-6845 (our toll free fax number is (888) 996-9898). For further information, or if you have any questions about this form or your self-directed IRA, please email us at info@capitalira.com or call us at (856) 702-6845 (our toll free phone number is (888) 996-9899).

I have received and reviewed this checklist for IRA real estate purchases.

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Print Name

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Signature

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Date